

**ACTION  
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# Department of State

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**INCOMING  
TELEGRAM**

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ACTION AID-00

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GHAZNI.

ACTION OFFICE ANAF-04  
INFO ANDP-03 ANSA-03 PPDC-01 SAST-01 PDP-01 PPPB-02 GC-01  
GCAN-02 FVA-01 FVPP-01 AMPD-05 ANTR-06 ES-01 STM-03  
STFA-01 STAG-02 AAPF-01 SEOP-01 FPA-02 FFP-09 SERP-01  
SECS-02 RELO-01 AMAD-01 TELE-01 AGRI-01 COM-02 LAB-05  
KAY-01 ONB-02 /068 AB

INFO LOG-00 EUR-00 OIC-02 CIAE-00 EB-00 DODE-00 IO-10  
NEA-06 SSO-00 TRSE-00 AGRE-00 /027 W

0 300618Z MAR 89  
FM AMEMBASSY ISLAMABAD  
TO SECSTATE WASHDC IMMEDIATE 7022  
INFO AMEMBASSY ROME IMMEDIATE  
USMISSION GENEVA IMMEDIATE

ISLAMABAD 07137

AIDAC FROM AID/REP

FOR ANE/AF AND FVA/FFP, STATE FOR NEA/PAB AND IU  
AFGHAN WORKING GROUP

ROME FOR FODAG

GENEVA FOR RMA

E.O. 12356: N/A

TAGS: N/A

SUBJECT: AFGHANISTAN-WFP CROSS BORDER PROGRAM

REFERENCES: A) TA-391-XXX-000-9636

B) STATE 067819

C) STATE 050493

1. SUMMARY: THE TRANSFER AUTHORIZATION FOR SUBJECT PROGRAM CALLS FOR SUBMISSION BY WFP OF AN OPERATIONAL PLAN BY MARCH 20, 1989, DEMONSTRATING MOVEMENT OF FOOD AID INTO AFGHANISTAN BY MAY 1 (ONE). REF (C) PLACES RESPONSIBILITY FOR APPROVAL OF THE PLAN IN THE FIELD. WFP HAS MADE PROGRESS IN DEVELOPING A PLAN BASED ON CURRENT NEEDS, ALTHOUGH THEY ARE STILL HAVING DIFFICULTIES IN OBTAINING GOP CLEARANCES FOR THE ACTUAL MOVEMENT OF THE WHEAT. WE HAVE AGREED TO EXTEND THE DUE DATE FOR THE PLAN NOW IN ROME FOR HQ APPROVAL. END SUMMARY

2. DURING A DISCUSSION ON 3/22/89, ALLEN JONES, WFP/ISLAMABAD, PROVIDED A COPY OF AN OPERATIONAL PLAN, WHICH HE HAD SUBMITTED TO ROME WITH THE FOLLOWING MODALITIES:

A) AN ALLOCATION OF 10,000 MT FOR DISTRIBUTION THROUGH FOOD FOR WORK REHABILITATION PROGRAMS INSIDE AFGHANISTAN OF WHICH 2,164 MT HAVE ALREADY BEEN COMMITTED TO APPROVED PROJECTS.

B) AN ALLOCATION OF 19,000 MT FOR HUMANITARIAN RELIEF INSIDE AFGHANISTAN: 10,000 MT HAVE ALREADY BEEN COMMITTED FOR THIS PURPOSE, INCLUDING 7,000 MT AND 3,000 MT FOR DISTRIBUTION TO AREAS OUTSIDE KABUL AND ISLAMABAD.

C) AN ALLOCATION OF 3,000 MT FOR POSITIONING IN OPERATIONAL WAREHOUSES FOR DISTRIBUTION THROUGH FFW OR RELIEF IN THE NEAR FUTURE IN KANDAHAR, PAKTIA AND

D) THE MONETIZATION OF 21,000 MT OF WHEAT AT PESHAWAR AND GULTIA GOP FOOD DEPARTMENT WAREHOUSES. THE PRECISE TONNAGE TO BE SOLD WILL DEPEND ON ESTIMATED TRANSPORT COSTS, THE RULING GOP SALES PRICE TO TRADERS AND THE FINAL OUTCOME OF NEGOTIATIONS ON REIMBURSEMENT OF INTERNAL LOGISTIC COSTS TO THE GOP.

3. ACCORDING TO JONES, SALE OF THE WHEAT WOULD TAKE PLACE ONLY AFTER HARVEST IN MAY WHEN THE GOP NATIONAL WHEAT STOCK SITUATION WAS NORMALIZED. WHEAT SALES TO THE GOP WOULD BE COORDINATED WITH THE GOP TO ENSURE THAT THEY WERE ADDITIONAL TO DOMESTIC CONSUMPTION IN NWFP AND BALUCHISTAN, AND THAT THE WHEAT WOULD BE SOLD TO TRADERS OPERATING IN AFGHANISTAN.

4. FOLLOWING SUBMISSION OF THE ABOVE PLAN TO ROME, A MEETING WAS HELD WITH THE UN COORDINATOR'S OFFICE WHERE COORDINATOR'S ADVISOR ZIA RIZVI INFORMED THE GROUP THAT SALES OF THE WHEAT IN PAKISTAN MAY NOT BE NECESSARY AS FUNDS FOR TRANSPORT COSTS MAY BE FOUND THROUGH THE COORDINATOR'S OFFICE. IT WAS AGREED THAT APRIL 20 WOULD BE THE DEADLINE BY WHICH THE COORDINATOR WOULD HAVE IDENTIFIED AND MADE AVAILABLE TO WFP DOLS 4,240,000 TO MEET ESTIMATED TRANSPORT COSTS.

5. IF THE COORDINATOR FAILS TO COME UP WITH THE TRANSPORT MONEY, WFP WILL PROCEED WITH MONETIZATION AS STATED ABOVE, REPORTED JONES. HE ADDED THAT IF SUFFICIENT CASH RESOURCES ARE MADE AVAILABLE TO MOVE THOG FULL 53,000 MT OF WHEAT INTO AFGHANISTAN, WFP WILL UTILISE THE 21,000 MT EARMARKED FOR SALES THROUGH FFW AND RELIEF PROJECTS WITHIN THE UN PLAN.

6. NOTE: WE ARE INCLINED TO APPROVE THE ABOVE PLAN WHEN FORMALLY RECEIVED, BUT WITH THE FOLLOWING CAVEATS:

A) WE WILL PROPOSE THAT SOME WHEAT BE MONETIZED FOR OTHER THAN TRANSPORT, AS A MEANS FOR TESTING PART OF PROJECT MARKETPLACE AND/OR TO BE USED FOR CASH RATHER THAN FOOD FOR WORK. THIS IS IN LINE WITH THE RECENT FOOD STRATEGY TEAM RECOMMENDATIONS.

B) WHILE WE REMAIN HOPEFUL THAT SIGNIFICANT WFP WHEAT STOCKS CAN BE DISTRIBUTED INSIDE AFGHANISTAN IN THE NEAR FUTURE, A CAUTIONARY NOTE SHOULD BE ADDED THAT WFP HAS NOT YET BEEN ABLE TO FINALIZE ARRANGEMENTS FOR TRANSPORTATION OF WHEAT INSIDE. ONLY THE 400 MT FOR KUNAR PREVIOUSLY REPORTED HAVE BEEN MOVED. AGLU IS WORKING ON ITS CONTRACTING MECHANISMS, SEEKING THE CONCURRENCE OF THE INTERIM GOVERNMENT AND HOPES TO BE IN A POSITION TO FORMALLY CONTRACT WITH WFP/UNILOG SOON. BOTH WE AND WFP ARE CONTINUING TO URGE THE GOP TO PROVIDE THE NECESSARY CLEARANCES.

C) IT IS STILL UNCLEAR IF THE INTERIM GOVERNMENT'S MINISTRY OF RECONSTRUCTION WILL CARRY OUT THE FUNCTIONS OF THE RECONSTRUCTION AUTHORITY FOR AFGHANISTAN (RAFA) AS THE UN HAD ORIGINALLY PLANNED.

D) IF THESE PROBLEMS CAN NOT BE RESOLVED WITHIN A REASONABLE TIME, WE MAY HAVE TO RECONSIDER OUR APPROVAL OF THE PLAN.

7. WE HAVE ASKED WFP TO FORMALLY SUBMIT THE PLAN TO

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US FOLLOWING APPROVAL BY ROME, AND WILL ADVISE  
OUTCOME OF UN COORDINATOR'S EFFORTS TO PROVIDE  
TRANSPORT FUNDS FOLLOWING THE APRIL 20 DEADLINE  
NOTED IN PARA 4 ABOVE.

8. DECONTROL UPON RECEIPT. OAKLEY

DECONTROLLED FOLLOWING
(DATE) _____
PER _____
<i>James L. Harper</i>